



Department of Justice

Office of the United States Attorney Western District of Wisconsin

FOR IMMEDIATE RELEASE
AUGUST 13, 2009
WWW.USDOJ.GOV/USAO/WIW

CONTACT: AUSA DANIEL J. GRABER
PHONE: (608) 264-5158
TTY: (608) 264-5006

Madison, Wis. - Stephen P. Sinnott, Acting United States Attorney for the Western District of Wisconsin, announced today the filing of two informations charging Hyungirl Lee, 61, and Jongyeon Lee, 58, both of Madison, Wis., with tax offenses. The first information charges Mr. Lee with filing a false 2005 income tax return. The second information charges Mrs. Lee with submitting a false document to an Internal Revenue Service (IRS) agent during an IRS audit.

According to the informations, the Lees own various businesses in Madison, including Riley's Wines of the World, Badger Liquor, Churchkey Bar and Grill, and Vineyard Liquor. During an IRS audit, Mrs. Lee provided the auditor with a purchases journal that included false entries which inflated the purchases' expenses. This resulted in an overstatement of expenses and understatement of income on their income tax returns.

Mr. Lee was previously prosecuted in 2002 for filing a false 1995 federal income tax return. He received a prison term of eighteen months, a fine of \$71,000 and was ordered to pay back taxes of \$476,980.

If convicted on the current charges, Mr. Lee faces a maximum penalty of three years in prison and a \$250,000 fine. Mrs. Lee faces a maximum penalty of one year in prison and a \$100,000 fine.

Both defendants have signed plea agreements and are scheduled to enter guilty pleas to the informations on August 21, 2009.

The charges against the Lees are the result of an investigation conducted by the Internal Revenue Service Criminal Investigation Division, Madison office. The prosecution of this case has been assigned to Assistant U.S. Attorney Daniel J. Graber.

###